

FILED 12 APR '18 13:39 USC-ORP

**UNITED STATES DISTRICT COURT
DISTRICT OF OREGON
PORTLAND DIVISION**

UNITED STATES OF AMERICA

3:18 CR- 161-BR ...

v.

INFORMATION

NATHAN WHEELER,

18 U.S.C. § 1343

26 U.S.C. § 7201

Defendant.

THE UNITED STATES ATTORNEY CHARGES:

1. Beginning in or about 2011 through in or about July 2014, in the District of Oregon and elsewhere, defendant **NATHAN WHEELER (DEFENDANT)**, a Certified Public Account (CPA) in the State of Oregon, engaged in a scheme to defraud clients and investors of more than \$4.4 million and evaded the assessment of income taxes.

2. **DEFENDANT** and others operated Bridge City Advisors, LLC (Bridge City) in the District of Oregon. Bridge City offered accounting, investment and legal services to clients. **DEFENDANT** was a member of Bridge City.

3. During times relevant to this Information, **DEFENDANT** and others known to the United States Attorney's Office, held medical marijuana licenses issued by the State of Oregon to grow and distribute marijuana for a specific number of patients living in Oregon, as prescribed by a licensed physician or medical provider. It was part of the scheme to defraud that

Information

DEFENDANT used Bridge City client and investor funds, without their knowledge or consent and as more fully described below, to build and expand his medical marijuana operations.

4. It was part of the scheme that **DEFENDANT**, and others known to the United States Attorney's Office, solicited money for various investments from clients of Bridge City and others. It was further part of the scheme that **DEFENDANT** promised investors that their money would be used for specific purposes, including to develop real estate projects. As inducement for the investment, **DEFENDANT** promised a return of the investment plus a specific interest rate on the investment, and, in some instances, interest payments over the term of the investment and that the client/investor would obtain a first priority security interest in real property. In fact, the clients'/investors' money was not used as promised and instead went to build **DEFENDANT**'s marijuana grow operations, to pay other clients/investors to whom **DEFENDANT** owed money, or for **DEFENDANT**'s direct personal benefit. Bridge City clients and other investors were not provided with a perfected, first-priority, security interest as promised.

5. It was part of the scheme that **DEFENDANT** diverted client funds without client permission and/or outside of his legal authority to do so. It was further part of the scheme that **DEFENDANT** used said funds to continue to build **DEFENDANT**'s marijuana grow operations, to pay other clients/investors to whom **DEFENDANT** owed money, or for his direct personal benefit. It was further part of the scheme that **DEFENDANT**, thereafter, provided false statements of account, prepared false documents or provided false information to clients about the use of the funds in order to continue to have access to client funds or to lull clients from discovering his unauthorized diversion.

COUNT 1
(Wire Fraud)
(18 U.S.C. § 1343)

6. Paragraphs 1-5 are re-alleged and incorporated herein as set forth above. On or about the date listed below, in the District of Oregon and elsewhere, **DEFENDANT** having knowingly devised and intended to devise the aforementioned material scheme and artifice to defraud, and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises, and through omissions of material fact, for the purpose of executing and attempting to execute the scheme and artifice, did knowingly cause to be transmitted in interstate and foreign commerce by means of wire communications, writings, signals, and sounds, the following transfer of money via interstate wire:

Count	Date	Origination	Destination	Description of Wire
1	April 10, 2014	Oregon	Washington	Wire Transfer of \$486,000 from B.H. to CW Holdings.

In violation of 18 U.S.C. §1343.

COUNT 2
(Attempt to Evade or Defeat Tax)
(26 U.S.C. § 7201)

7. Paragraphs 1-5 are re-alleged and incorporated herein as set forth above. On or about October 15, 2013, in the District of Oregon and elsewhere, **DEFENDANT**, a CPA, willfully attempted to evade and defeat income tax due and owing by him to the United States of America, for the calendar year 2012, by preparing and causing to be prepared, and by signing and causing to be signed, a false and fraudulent tax return, Form 1040, which was submitted to the Internal Revenue Service. On that tax return, **DEFENDANT** reported and caused to be reported that his taxable income for the calendar year 2012 was negative \$214,184, that no tax due and owing and the United States owed the **DEFENDANT** a refund of more than \$7,000. In

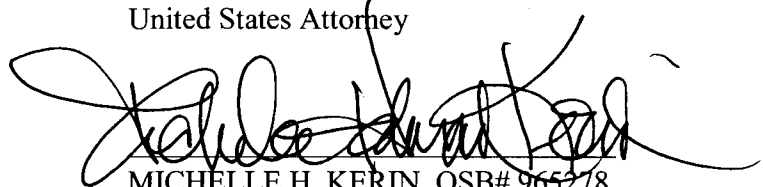
fact, as **DEFENDANT** knew, his taxable income for the calendar year 2012 was greater than the amount reported on the tax return, and as a result of such additional taxable income, there was tax due and owing to the United States of America.

All in violation of Title 26, United States Code, Section 7201.

Dated: April 12, 2018.

Respectfully submitted,

BILLY J. WILLIAMS
United States Attorney

A handwritten signature in black ink, appearing to read "Michelle H. Kerin", is written over a horizontal line.

MICHELLE H. KERIN, OSB# 965278
Assistant United States Attorney